

THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

10 April 1979

National Intelligence Officers

MEMORANDUM FOR: Director, Office of Political Analysis
FROM: [REDACTED]
National Intelligence Officer for China
SUBJECT: Paper on "The Indochina Conflict and
Sino-Soviet Rivalry: Prospects and
Ramifications"

1. The proposed terms of reference for the above paper are a good approach to the problem of assessing the outcome of the Sino-Vietnam fighting. The terms appear to cover the essential areas of the concerns expressed by the Gates Group regarding the Vietnam aftermath. They also meet in part the requirements for the paper which Bob Bowie asked [REDACTED] and me to commission; namely, an appraisal of the reactions to the Sino-Vietnam fighting in countries of particular interest to U.S. policy. Your terms of reference mentioned ASEAN and Japan in this regard; ours include in addition the principal NATO powers, India, and Saudi Arabia, with special focus on their perceptions of the behavior of the PRC, the USSR, and the U.S.

25X1

2. [REDACTED] and I have discussed the relationship between your paper and ours in some detail, and believe it would be desirable in the light of the demands on analysts' time and effort to combine the two. To this end, I would recommend a modification of your proposed terms of reference as follows:

a. Expand the concluding section--an assessment of the broader Asian ramification--to include the reactions and implications thereof on the part of the principal NATO powers and India. In fact, I would suggest that the main thrust of the paper be directed toward this particular section.

25X1

b. A corresponding reduction in the effort devoted to describing the three Hanoi-Beijing-Moscow alternatives outlined in the terms of reference. It would appear to me that not too much more needs to be said concerning these alternatives than what you have already postulated. Moreover, the alternatives are not mutually exclusive--it is entirely conceivable that Hanoi would move to one or another of the latter two in the event its present course does not succeed in bringing Hanoi the results it desires. In this respect, however, some evaluation of the economic and military strains which Hanoi's involvement in Kampuchea, Laos, and along the Chinese border are creating would be in order.

3. If the above meets with your approval, FBIS might be tasked to provide a run-down on the press reactions to the Vietnam fighting in the countries which the paper would cover.

4. and I would be happy to discuss this project with you further at your convenience.



25X1

Distribution:

Orig. & 1 - Addressee
1 - NIO/USSR-EE
1 - NIO/CH
1 - NFAC Reg.

The Indochina Conflict and Sino-Soviet Rivalry:
Prospects and Ramifications

We propose to address this topic in a 15-20 page paper divided into three major sections:

-- an analysis of the Indochina situation in the aftermath of China's incursion into Vietnam;

-- an outlook section which would discuss future developments in the region in terms of three basic alternatives, each of which would rest on a different set of relationships between Hanoi and the two major Communist powers; and

-- a concluding section that assesses the broader Asian ramifications in the context of Indo-chinese developments to date as well as those future alternatives raised in the preceding section.

In the first section, we would propose to analyze the present situation rather than recapitulate current history. Particular attention would be paid to the relationships that have developed between Hanoi and the two Communist powers and their respective interests and assets. The Sino-Soviet relationship and perceptions of the US, Japanese and ASEAN positions will be discussed as they influence the situation.

The outlook section would address three alternative developments in the region, each resting on a different

CONFIDENTIAL

set of relationships between Hanoi and the two Communist powers;

-- a projection based on current relationships. Essentially this option would comprise a fairly lengthy, inconclusive period in Indochina in which Hanoi would attempt to improve its position in Kampuchea with current levels of Soviet support while engaging the Chinese in a continuing discussion of their border to forestall another Chinese incursion.

-- an even closer relationship between Hanoi and Moscow. In this option Hanoi would increase its efforts to subjugate Kampuchea and stonewall in border talks with China, risking -- perhaps daring -- another Chinese military reaction. In other words, an escalation of pressures.

-- a loosening of ties between Hanoi and Moscow and an effort by Hanoi and Beijing to reach a basic modus vivendi, including a border settlement and political compromise in Kampuchea. In short, a diminution of the conflict.

The outlook section would not be an exercise in detailed scenario building. Each of the three alternatives would be put forth succinctly, with major emphasis applied to assessing the interests of the three major actors as they would be affected by each option.

In terms of actual likelihood, the evidence now indicates that some variation of the second scenario -- an escalation of pressures -- is in the offing. Although a diminution of the conflict appears least likely in the near term, it will be addressed as a longer range possibility.

The concluding section of the paper would discuss the Asian ramifications of developments in Indochina to date and of those alternative developments raised in the outlook section. They would be weighed in light of other developments, such as US-PRC normalization and the Sino-Japanese PFT, and also examined in terms of their altering Soviet or Chinese behavior in other areas of Asia. Two regions -- ASEAN and Korea -- would merit review in this respect. Asian perceptions of the US and Japanese roles also would be addressed in this context.

Approved For Release 2005/01/06 : CIA-RDP83B00100R0
THE DIRECTOR OF
CENTRAL INTELLIGENCE

6 April 1979

National Intelligence Officers

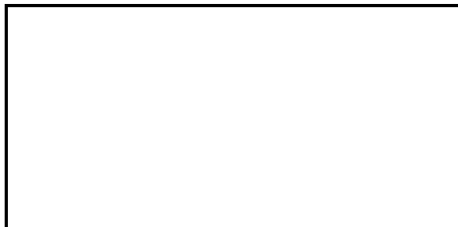
TO: NFAC Security

FROM:


NIO/China

Attached is a memo from Jim Lilley
per your request.

Attachment:
As stated



4 April 1979

John,

You asked for a memo from me on my views of a future consultancy with NFAC. Here are some thoughts and I hope they suffice:

-- I'd be glad to help as I can reading and commenting on papers--national and departmental. This could involve both domestic and foreign policy issues in China.

[Redacted]

[Redacted]

-- I would like to receive unclassified publications for retention -- Mike Field has been sending me some and they are much appreciated. I would do the same for you in terms of what I get.

All of this does not, in my view, involve the highest classified material so I could use a secret or top secret clearance without the TK/SI. That would be my preference.

All best,

James R. Lilley

STAT

Approved For Release 2005/01/06 : CIA-RDP83B00100R000300090040-1

Approved For Release 2005/01/06 : CIA-RDP83B00100R000300090040-1